

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

BORDERS GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 11-10614 (MG)

(Jointly Administered)

NOTICE OF SUBSTANTIAL CLAIM OWNERSHIP

Pursuant to the "Final Order Pursuant to 11 U.S.C §§ 105(a), 362(a)(3) and 541 Establishing (I) Certain Proposed Notification Procedures and (II) Restrictions on Certain Transfers of Claims and Equity Interests Effective *Nunc Pro Tunc* to the Commencement Date," dated March 16, 2011 [Dkt. No. 398] (the "Transfer Order") PLEASE TAKE NOTICE that, as of the date hereof, HarperCollins Publishers, LLC ("HarperCollins") beneficially owns Claims against the Debtors ("Claims") in an aggregate principal amount of approximately \$28,926,724.26.²

The following table sets forth the date(s) on which HarperCollins acquired or otherwise became the Owner of such Claims:

Amount of Claim	Date Acquired
\$28,926,724.26	Various dates between 8/24/09 and 2/16/11 (pursuant to invoice dates)

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Borders Group, Inc. (4588); Borders International Services, Inc. (5075); Borders, Inc. (4285); Borders Direct, LLC (0084); Borders Properties, Inc. (7978); Borders Online, Inc. (8425); Borders Online, LLC (8996); and BGP (UK) Limited.

² This Notice is being filed under compulsion of the Transfer Order, and while HarperCollins believes the information set forth herein regarding the Claims is correct, HarperCollins reserves the right to set forth in any proof of claim or other documents that may be filed in these cases different or further information concerning the Claims and any other amounts (including, but not limited to, interest, expenses and other charges as may be permitted under applicable law) to which HarperCollins may be entitled. If appropriate, HarperCollins will amend this Notice.

PLEASE TAKE FURTHER NOTICE that the taxpayer identification number of HarperCollins is [REDACTED FOR FILING PURPOSES].

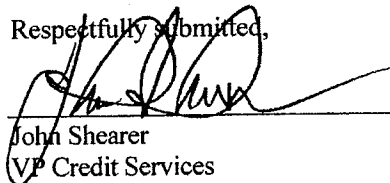
PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, HarperCollins hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

PLEASE TAKE FURTHER NOTICE that, pursuant to The Transfer Order, this Notice is being (i) filed with the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004 and (ii) served upon: (a) the Debtors, c/o Borders Group, Inc., 100 Phoenix Drive, Ann Arbor, MI 48108 (Attn: Matthew A. Chosid, Esq., and Edward J. Jackson); (b) Kasowitz, Benson, Torres & Friedman LLP, attorneys for the Debtors, 1633 Broadway, New York, New York 10019 (Attn: Jeffrey R. Gleit, Esq. and Alan Lungen, Esq.); and (c) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Tracy Davis, Esq. and Linda Riffkin, Esq.).

For purposes of this Notice, (i) "Ownership" shall be determined in accordance with applicable rules under section 382 of title 26 of the United States Code (the "Tax Code"), but applying such rules to determine the ownership of Claims rather than stock, and, thus, to the extent provided in those rules from time to time, shall include, but not be limited to, direct and indirect ownership (*e.g.*, a holding company would be considered to beneficially own all claims owned or acquired by its subsidiaries), and ownership by members of a person's family and persons acting in concert; and (ii) any variation of the term "Ownership" (*e.g.*, Own) shall have the same meaning.

Dated: New York, New York
March 30, 2011

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'John Shearer', is written over a horizontal line.

John Shearer
VP Credit Services
HarperCollins Publishers, LLC
1000 Keystone Industrial Park
Scranton, PA 18512
Tel.: (570) 941-1244
Fax: (570) 941-1590

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Counsel for HarperCollins Publishers, LLC

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CERTIFICATE OF SERVICE

I hereby certify that on March 30, 2011, in accordance with paragraph 4(b) of the "Final Order Pursuant to 11 U.S.C. §§ 105(a), 362(a)(3) and 541 Establishing (I) Certain Proposed Notification Procedures and (II) Restrictions on Certain Transfers of Claims and Equity Interests Effective *Nunc Pro Tunc* to the Commencement Date," dated March 16, 2011 [Dkt. No. 398] (the "Transfer Order"), I electronically filed with the Clerk of the Court using the CM/ECF system which sent notification of such filing to the parties registered for electronic service via the Court's electronic transmission facilities, the following document:

**NOTICE OF SUBSTANTIAL CLAIM OWNERSHIP
(redacted to exclude taxpayer identification number)**

and caused it to be mailed by the United States Postal Service, first class mail, to the following parties:

Matthew A. Chosid, Esq.
Edward J. Jackson
c/o Borders Group, Inc.
100 Phoenix Drive
Ann Arbor, MI 48108
(unredacted copy)

Jeffrey R. Gleit, Esq.
Alan Lungen, Esq.
Kasowitz, Benson, Torres & Friedman, LLP
1633 Broadway
New York, NY 10019-6799
(unredacted copy)

Tracy Davis, Esq.
Linda Riffkin, Esq.
The Office of the United States Trustee
33 Whitehall Street, 21st Floor
New York, NY 10004
(redacted copy)

Dated: New York, New York
March 30, 2011

/s/ Daniel A. Lowenthal
Daniel A. Lowenthal
PATTERSON BELKNAP WEBB & TYLER LLP
1133 Avenue of the Americas
New York, New York 10036
(212) 336-2720